



HOME ABOUT ▾ CATEGORIES ▾ ARCHIVES

☑ MONEY SAVING PRODUCTS I USE 🔍 SEARCH

HOME ABOUT ▾ CATEGORIES ▾ ARCHIVES

☑ MONEY SAVING PRODUCTS I USE 🔍 SEARCH

# 5 Reasons Why you Should Not Build a New Home

**G.E. Miller** Last updated: January 21, 2018 **23** Comments



We've all dreamed of building our own home (read: having someone else build it for us) at one point or another. After all, a home is

a very personal thing. It's the place where we spend the majority of our time. It's the place where we might raise a family. And it's the place where we want to relax and be comfortable.

Privacy - Terms

Building a home allows us to control all aspects of a home. There's nothing to complain about – it's all new and fresh and should be maintenance free for many years to come!

Resist. The. Urge.

There are undoubtedly some benefits to building a new home. However, the negatives far outweigh them. Here are 5 reasons why you should not build a new home.

## 1. The Cost of New Homes Vs. Older Homes

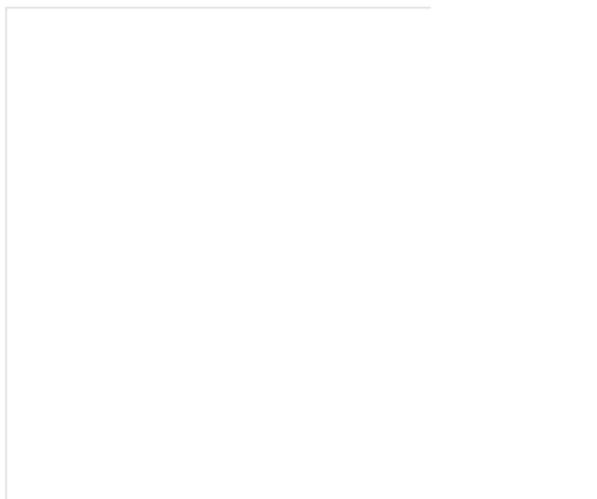
There are a few reasons why new homes are going to cost you more than equivalent older homes.

In a poor housing market, such as what we have right now (and likely will for many years to come), foreclosures and slow home turnover results in lower prices for older homes.

According to the AP, the median price of a new home in the United States is now 48 percent higher than that of a home being resold – more than three times the gap in a healthy housing market. 48%! I don't care how nice the new digs would be, there are too many nice older homes on the market right now to pay a 48% premium on a new one.

The thing is you can't really get a good deal on a home that you build. All leverage power you had went out the door when you told the builder you were interested in

working with them. It's a buyer's market for existing homes right now. But it's always a seller's market when you build new.



You might be able to get a good deal on a new home that has already been built and is sitting around – but you'll almost never get one if you're building your 'dream home'.

## 2. The Environmental Impact

I would personally find it very hard to justify using up all of the materials, adding to urban sprawl, and authorizing the CO2 output required to build a new home vs. buying an older home (particularly when there are so many vacated homes already on the market).

Even if you build a LEED certified home (which you'll pay a huge premium for), you could simply use up less energy by moving into a smaller home or retro-fitting an older home with energy saving materials.

The exception to this is if you build a **tiny home** to live in. And double bonus if you use reclaimed materials. These homes have a significantly lower carbon footprint because they use so much less energy and materials.

## 3. The Hassle

This is coming from personal experience, but I've never met someone who has built a home and didn't complain about how much work, micromanagement, decision-making, fighting, and frustration it created for them.

If you place a value on time, buying an older home is so much quicker and easier.

## 4. The Quality (or Lack of it)

They just don't make them like they used to.

I've bought two homes and probably looked at 100 homes in the process that were built over the last 100+ years (if you're a realtor, you should probably run if I approach you. I'm a very big pain in the ass). From a quality of material standpoint, newer homes of similar cost tend to have much lower quality materials than older homes.

Yes, it's newer. But that doesn't mean it's better.

You see, craftsmanship and pride used to count for something in the homebuilding industry. There were many more local builders, but the industry, much like the fast food industry, has consolidated and turned it into a factory-like process that puts a premium on speed and keeping labor and material costs down.

I'll never forget walking into a pair of houses built in 2007 that both had huge foundation cracks running from the top to the bottom of the basement wall. 2007! Most builders these days don't care about getting the job done right. They just care about getting it done as cheaply and quickly as possible.

## 5. The Pride

This is strictly personal opinion. If I ever built a home, I'd feel like I took the easy way out in that I didn't have to put any work in to improving anything. Having done a lot of remodeling work on both of the homes I've owned, I feel

like there's a lot of pride to taking something and leaving it in a better condition than when you found it.

Even if it's a simple floor sanding or wall painting project, that just seems so much more rewarding than walking into a house that requires no elbow grease.

## Building a New Home Discussion:

- Have you built a new home? What was your experience?
- Do you want to build a new home? Why?

### Related Posts:

- [The Genius of Tiny Homes](#)
- [7 Tiny Home Benefits](#)
- [How Much Should you Put Towards a Down Payment?](#)
- [Rent or Buy a Home](#)

## Related Posts

CLUE Report: An Overview

The 5 Best Places to Sell Stuff Online & Elsewhere

 [tiny solar home](#)

7 Huge Benefits to Downsizing into a Tiny Home

## 23 Comments

Julie

I disagree with your last point. Having a house you had a part in designing seems like something you should be very proud of. Also—you will still have to do home repairs, just hopefully not right away.

Also, a lot of people don't do their own home repairs anyways, so they won't have that "pride" of sanding the

floor themselves. My mom and I have never done any of our own repairs but we're very proud of our home.

[Reply](#)

### Jason L

I would disagree with #4 and #5 as well. This is all anecdotal of course, but I currently own a few homes, and I've never had problems with my new homes, but the older home I own (built around 1970) always has something I need to fix or attend to every couple of months. I also feel that it's quite easy to have a lot of pride for a new home, as well as an old one.

Otherwise, an interesting article and point of view. I definitely agree with point #2... with the push to go green these days, I think this is really valid, and something that will resonate with 20-somethings.

[Reply](#)

### G.E. Miller



We'll have to agree to disagree on this one, Julie. I could never have pride in something unless I built or fixed it by hand myself. Picking out paint colors, carpet textures, countertops, and whatever else would do nothing for me. I would feel like maybe I put more of my stamp on it, but my money paid for that, and it's simply another material possession. It may be satisfying to some, just not to me personally.

Plus, the destruction of habitat and added sprawl would leave me feeling like more of the problem than the solution, in that regard.

[Reply](#)

**Patrick Sievert**

I think it's worth considering how long you plan on being there. If you're only planning to be in the house for a few years, then buying used certainly would seem to be the way to go. If you're reasonably certain that it's going to be your permanent home (20+ years), then it may be worth while to get the house exactly how you want it.

[Reply](#)

**G.E. Miller**

When I bought my first home I thought to myself that this would be the home I'd live in for the next 20 years. Less than 3 years later, I moved out to relocate for a new job. If everyone on this planet built a new home or multiple new homes, it would be a complete disaster from a home value and environmental perspective. Buying a new home is not a right of passage.

[Reply](#)

**Joe**

Actually I read an article online awhile back that was comparing new homes to older homes in terms of building quality. The wood used in older homes is sturdier, but there have been technological advancements in things like insulation that older homes just don't come with. It was kind of a draw.

[Reply](#)

**Roman**

Seeing as I've now spent 3 months in my newly build home, I'd like to make a point what GE Miller has stated is both right and wrong. Wrong in that it's a POV and circumstances which he acknowledges in the article. Right in that we 20-somethings have little to no business to be building a house. Owning a house is perfectly fine;

building a house is insane. Even more so when you work full time and have part time grad school.

To go over GE's points:

#### 1. New vs Old Costs

It was estimated that it would take \$100k to build the house; end result was \$250k. This does not include the mortgage. Problem? Scope of project changed after new findings with the old house structure, changing a remodel into a demo.

Stroke of luck that the place was a foreclosure at 40% of the average price for the area. End result is that it's broken even and the mortgage is a LOT lower than a already built house for the neighborhood.

#### 2. Environmental Impact

I did reuse and recycle and much as I could. Went with a small house (1600 sq ft). It took so much arguing with everyone who kept insisting on two stories plus a guest house.

#### 3. Hassle

This I will not argue on. It took me 2 years to build my house. Thank furloughs and a lousy architect. This is THE biggest detriment to building a house.

#### 4. Quality

Joe says it all. The wood and structure in the house was impressive, but horribly cold. New house stays at a room temp of 68 no matter what's going on outside. Also, being very involved in the building process made sure of no funny business.

#### 5. Pride

It is a personal opinion. Main reason I took the endeavour of building a place was to see what it was like while I still had time and to fix up what was a derelict foreclosure in the neighborhood I grew up in. Being an engineer, I also had some hurbris in the engineering design and efficiency.

End result: It's been a very enlightning and educational experience. I would never do it again and ask that

nobody else take such an endeavour unless you can devote to it 100%. Meaning not in your 20s. Or 30s for that matter. Maybe 40s if you're very well set for retirement. Doubt it in the 50s when you're retired, but hey, if you have the time and extra funds.

[Reply](#)

### **bbatson**

Woah, G.E.! No plug for tiny homes??

[Reply](#)

**G.E. Miller**



there was a plug! point #2

[Reply](#)

### **Justin @ MoneyIsTheRoot**

Couldnt agree more! The single biggest disadvantage if paying a lot more for your home. Many sellers are desperate to get out of their home, whereas builders are basically meeting supply with inquired demand...that wont drive the price down. I will admit I really would love to have my home custom built for me, but its just less feasible than ever.

[Reply](#)

### **CS**

A close friend of mine built a new home in a new development outside of Washington DC. It was nothing but hassle trying to get cable and internet setup. Sure, satellite t.v. was a quick fix but internet (unless using a wireless provider's broadband) was slow to make it's way to their neighborhood. So I must agree with your point #3 – way too much hassle. I don't think I could live without internet and cable (telephone too) for the 3-4 months that they did. I'd go with an older home and perhaps plan on doing some remodeling to get it in line with what I envisioned in my head.

[Reply](#)

### **Cerph**

All of this writer's points are wrong. I am reading it 6 March 2013 and I could debate strongly each point the writer makes, but I don't have the time.

[Reply](#)

### **Mare**

I am reading this on March 10 2013 and strongly agree with his points. We still have tons of available homes. We still need to reduce our consumption. It still makes economical and environmentally responsible sense to buy a resale.

[Reply](#)

### **Mark**

I couldn't disagree with this article more.

Point 1 is only valid if you don't plan to stick around, and I refuse to agree with the notion that all home buyers will move in 5 years or so, I have been in the same house 2 years now and will never move.

2. I'm 30 now, was 28 when building my home... Not all your 20-somethings are enviro-hippies that worry about co2 impact of building a home?...personally, I earned my money buy working hard and I enjoy saving it and spending it as I please. (FYI-your "green" electric cars have a larger co2 impact than a gas powered ford car....green notions are usually junk science)?

3. It a hassle if your lazy. Nothing comes easy in life, you get what you work for. I worked hard to build my home, which I managed all the subcontractors, it was hard work and thoroughly rewarding.

4. Quality is poor when a)you don't know what you are doing and have a poorly designed house, or b) you choose poor quality materials and sub-contractors....

Thus, quality is directly dependent on you....

5. This point is ridiculous.... There were lots of things we did ourselves when building our home. How is the

possible? Because I took all my free time and devoted into building the home instead of reading “green” hippy magazines about how to make my house fart oxygen instead of co2.

[Reply](#)

**ally**

I agree with your article.

However, I believe that, in most people, the desire to build their custom home is so strong that they forget about the environmental impact and other downsides of building anew.

[Reply](#)

**ally**

I forgot to mention that I have recently read ‘Green Building & Remodeling For Dummies’, which is written by an architect, and I was quite impressed to find out about the impact of the building industry on the environment. Usually, one only realizes these things when given specific information. Otherwise, we tend to focus on our particular (selfish) desires. And then we wonder where the climate changes and natural catastrophes come from...

I love architecture and house planning, but now I know I wouldn’t build new if I weren’t sure that I would live in that place for a long time.

Also, I find it’s very important to avoid building on a pristine natural lot, but rather on an in-fill site, among other houses. Thus, it is better to demolish a very deteriorated home and build in its place, rather than destroy a natural site.

I admit I was quite upset when visiting my grandparents’ (once simple) village and seeing that new big houses had been build on pristine lots that were once covered only with trees, grass and wild flowers.

[Reply](#)

**Tom**

I happen to agree with all of the points made except for number 5. After having gone through the process of having a home built for me I can say 1 through 4 are right on target. It is a horrible process that I would wish on anyone. As for number 5 I'm over the "pride" nonsense. I'd rather spend my time skiing, biking or hiking. Owning a home is overrated!!!!

[Reply](#)

**david**

Everything about this article is misleading, first off homes are built wayyyy better than they used to, you obviously have no experience in the construction business, they are also built with "greener" materials, what hassle? If you hire a builder that is his job to take care of any issues, easy way out? Really? What's wrong with building a home exactly how you want it from day 1? Easy way would be to just buy a home statit across and move in in a couple days not months or even a year to build one, and cost, older homes have to have the electrical updated, plumbing is cast iron and , so jack hammering the slab up to relax drains and cutting walls open to replace water lines, a systems are outbox date and very inefficent so need to be updated or replaced, old homes have pour insulation, led paint, roof will likely need replaced eventually, you could possibly end up living in a construction zone(your home) might as well build it new and not have the "hassles" of constantly doing repairs and would end up costing more in the long run.

[Reply](#)

**Steve**

Who is really willing to spend MORE for a home with "lower carbon footprint". I'd rather have a nice home than waste money trying to be "green" which may or may not even have ANY impact on the environment. If I saving money by doing something "green" like installing solar

panels or using geothermal power then I'm all for it, but if I have to sacrifice some square feet, thanks, but no.

[Reply](#)

## Elmore

This is totally wrong and nothing could be further from the truth. As an owner of an old house I can tell you from experience that it is a nightmare. Part of my house is original double board construction dating back to the mid 19th century. The other part was an added section in 1928 with studded plaster walls and no insulation. It's next to impossible to keep the newer studded section warm in the wintertime so I close it off for the winter and live in the double board section.

So I will address the 5 points as follows:

1. Over the long run Older homes will cost you more in maintenance and upgrade costs.
2. Carbon footprint. What a laugh. If green is what you want then go look at the safe at Al Gore's mansion. You will find plenty of green there that was taken from the American public because of this GW scam. Global Warming (AKA Climate Change) is nothing more than a huge international scam that is making money for lazy good for nothing scientists and politicians. In this country the group behind it could be described as the Government Environmental Media Complex. Read Scientist Hal Lewis's letter of resignation to the APS over GW. Rather than address what he said the APS simply blackballed him, which showed he was telling the truth.
3. Everything's a Hassle whether you buy or build a home. The big difference is that most of the Hassle in building a home is in the beginning when compared to the long term Hassle of repairing and upgrading an existing home.
4. Quality, don't make me laugh. The wood on the double board section of my house is terrible. The protected side of this wood looks like the face of a 100-year-old woman who worked in the sun everyday. It's full of knots and is split in many places. This lumber was probably taken

from original old growth forests during the mid to late 1900 century and processed in lumber mills that used water flow as power. If the people of that time could see a modern day section of pressure treated lumber they would say this is so great that it must have come from another planet. As for local craftsmanship, the 1928 newer section of my house has a roof with 2 by 6 inch rafters running a span of 24 feet on 24-inch centers that caused a 5-inch roof depression at the center. Modern construction practices would never have allowed this to happen. As an example of old versus new, would you rather have the latest iphone or a rotary dial telephone from the 1950's?

5. If you are handy and knowledgeable about modern construction practices then you could take pride in designing and building your own home rather than trying to upgrade some horrible monstrosity. I mean you do all the work of sawing and hammering it together. You will have a lot more free time for more interesting pursuits unless this is your lifetime labor of love.

[Reply](#)

**Ed**

I am in the "build vs buy" mode right now. In my opinion, the author is off-base.

Pros of Building a Home:

1. You get exactly what you want in terms of design and content
2. You get the highest quality, assuming you pick the right general contractor
3. There is a lot of satisfaction after moving in and feeling "I did this"

Cons of Building a Home:

1. It costs a lot more than buying and renovating an existing home
2. I estimate you will lose 25% of the original cost upon resale
3. The design and build process is stressful. There are

hundreds of decisions to make

4. It takes a lot longer to build a home than buying an existing home.

[Reply](#)

### Todd Stauffer

It's crazy how you said that a new home costs almost 50% more than it did in past years. Being able to buy a home for sale that isn't very expensive in comparison would be really nice. That way you can save that money and put it toward other things that you want to do more.

[Reply](#)

### Jen

I just wanted to reply by saying that it depends where you are in the country. In my area, an existing home (without the features we want) will cost 380k but we are currently building a home (with what we want) for 305k. There is a major housing shortage so building is the only way to go in my area. Yeah, I know the craftsmanship won't be as perfect as a Victorian house but it will likely be better than the house built in 1980. Btw, I'm 23 and find it insulting that you're insinuating someone in their 20's can't afford to build a house. It's all personal circumstances.

[Reply](#)

## Leave a Reply

Comment Text\*

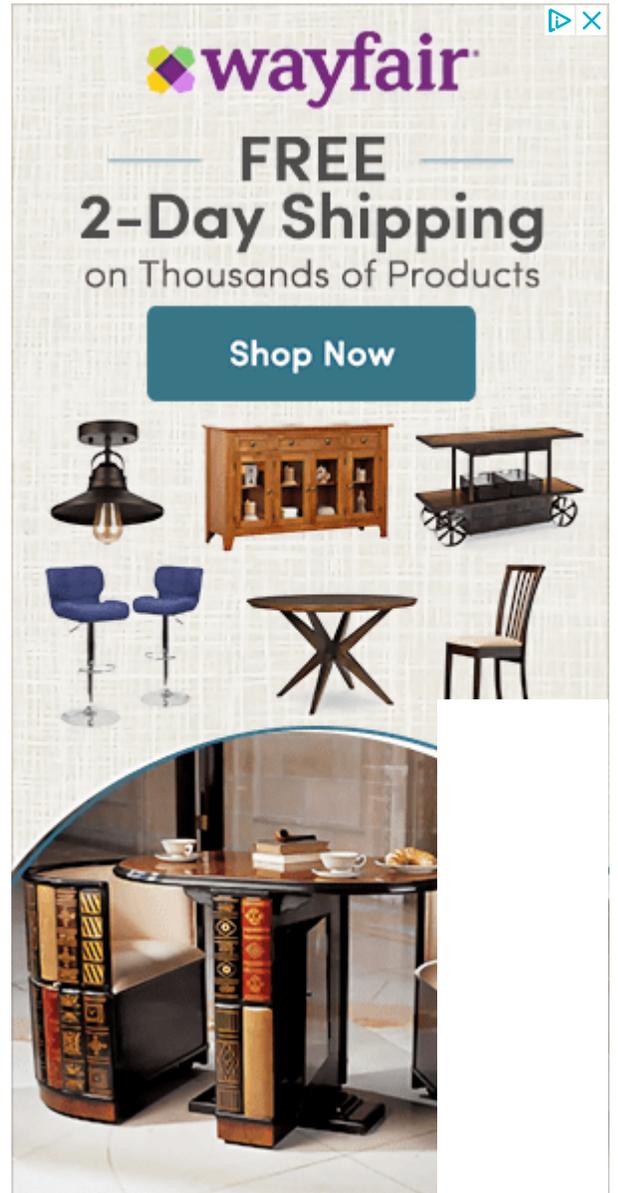
Name\*

Email\*

Website

Notify me of followup comments via e-mail. You can also [subscribe](#) without commenting.

Post Comment



**wayfair**

**FREE**  
**2-Day Shipping**  
on Thousands of Products

**Shop Now**

The advertisement features a collection of home decor items including a black pendant lamp, a wooden cabinet, a rolling cart, two blue bar stools, a round wooden table, and a wooden chair. A large image at the bottom shows a curved wooden bar table with a built-in bar and stools.

**JOIN 10,000+ MEMBERS.**

Get new articles by email, for free.

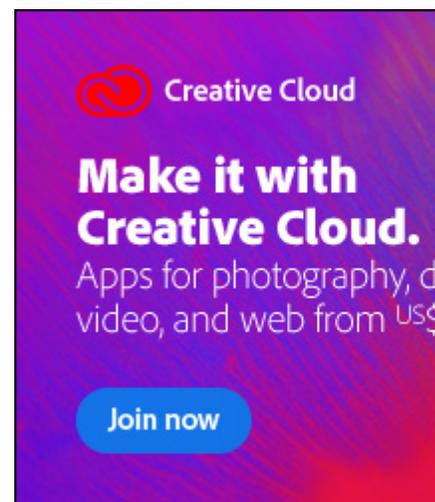
Enter your email address here...

**CLICK TO JOIN HERE!**

[Privacy](#) - [Terms](#)

## POPULAR POSTS

- **Money Saving Products I Personally Use**
- **How to Pay Taxes with a Credit Card (and Profit)**
- **The U.S. is the Most Overworked Nation in the World**
- **How Much Should you Spend on an Engagement Ring? Nothing.**
- **Would you Support your Financially Negligent Parents?**



## CURRENTLY ON TAP



**How to Do Your Taxes: A Guide to Easy Tax Filing (2018 Tax Year Edition)**

February 10, 2019



**The Child Tax Credit (Updated for 2018 & 2019, Post Tax Reform)**

February 4, 2019

[Privacy](#) - [Terms](#)



### Education Tax Credits & Deductions: Updated for 2018 & 2019

February 3, 2019

**LifeLock**

INFO COMPROMISED  
IN A BREACH?  
DON'T COMPROMISE ON  
IDENTITY THEFT PROTECTION.

**GET 10% OFF YOUR FIRST YEAR\***

\*Terms apply. See pricing details.

FOLLOW 20SF ON:



LIKE 20SF ON FACEBOOK:



SEARCH

[20somethingfinance.com](http://20somethingfinance.com) Copyright © 2019.

This site provides general info & entertainment & should not be considered financial advice. Consult an independent situation. Per FTC guidelines, this site may be compensated by companies mentioned through advertising & affilia

Privacy - Terms